(b) if so, the details of the investigations and action taken or proposed to be taken against ADAG for violation of FEMA; and

(c) the reasons for delay, if any, in investigating the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

(b) Question does not arise in view of (a) above.

(c) In view of the complexities of this case there has been no delay. All effort has been made by the Directorate of Enforcement to expeditiously conclude investigations.

Slowdown in economic growth

1042. SHRI SYED AZEEZ PASHA: Will the Minister of FINANCE be pleased to state:

(a) whether the economic growth of the country has registered a slowdown in the back drop of Global Economic crisis;

(b) if so, the details thereof and the reasons therefor;

(c) whether Government has identified the infrastructure bottlenecks that stand in the way in achieving high growth rate;

(d) if so, the details thereof; and

(e) the steps taken to remove such bottlenecks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) As per the Revised Estimates for 2008-09, released by the Central Statistical Organisation (CSO), the growth in real Gross Domestic Product (GDP) at factor cost has declined from 9 percent during the year 2007-08 to 6.7 percent in 2008-09. The details are as given below:

Growth of GDP (Factor Cost at constant 1999-2000 Prices)

(in percent)

Sl.No.		2007-08 (QE)	2008-09 (RE)
1	2	3	4
1.	Agriculture, forestry and fishing	4.9	1.6
2.	Industry	8.1	3.9
	a. Mining and quarrying	3.3	3.6
	b. Manufacturing	8.2	2.4
	c. Electricity, gas and water supply	5.3	3.4

1	2	3	4
	d. Construction	10.1	7.2
3.	Services	10.9	9.7
	a. Trade, hotels, transport and communication	12.4	9.0
	b. Financing, Insurance, Real estate and Business services	11.7	7.8
	c. Community, social and personal	6.8	13.1
4.	GDP at factor cost	9.0	6.7

The lower growth in GDP in 2008-09 which was spread across all sectors except Mining and quarrying, Community, social and personal services, could be attributed to subdued demand conditions, uncertainty regarding the depth and duration of global economic crisis, risk aversion, caution in extension of credit facilities and due to agricultural production being influenced by the vagaries of nature.

(c), (d) and (e) Physical infrastructure such as electricity, railways, ports, airports, irrigation and urban and rural water supply and sanitation, suffer from a substantial deficit in terms of capacities. The nature and quantum of deficits identified in the Eleventh Five Year Plan document are as follows:

Sector	Deficit
Roads/Highways	65590 km of NH comprise only 2% of network; carry 40% of traffic; 12% 4-laned 50% 2-laned; and 38% single-laned.
Ports	Inadequate berths and rail/road connectivity.
Airports	Inadequate runways, aircraft handling capacity, parking space and terminal buildings
Railways	Old technology; saturated routes; slow speeds (freight; 22 kmph: passengers: 50 kmph); low payload to tare ratio (2.5)
Power	13.8% peaking deficit; 9.6% energy shortage; 40% transmission and distribution losses; absence of competition.
Irrigation	11.23 BCM utilizable water resources,; yet near crisis in per capita availability and storage; only 43% of net sown area irrigated.
Telecom/IT	Only 18% of market accessed; obsolete hardware; acute human resources shortages.

The Eleventh Plan envisages improving the infrastructure. Various programmes/schemes are being implemented, with make use of considerable public resources on the one hand, while encouraging and facilitating private participation directly as well as through private partnerships.